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SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1940

No. 383

UNITED STATES HOFFMAN MACHINERY COR-
PORATION,

Petitioner,

vs.

CUMMINGS-LANDAU LAUNDRY MACHINERY COM-
PANY, INC.

PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SECOND CIRUIT AND BRIEF IN SUP-
PORT THEREOF.

DANIEL L. MORRIS,
Counsel for Petitioner.

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**PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SECOND CIRCUIT.**

*To the Honorable the Chief Justice and the Associate
Justices of the Supreme Court of the United States:*

Your petitioner, United States Hoffman Machinery Corporation, respectfully prays for a writ of certiorari to the Circuit Court of Appeals for the Second Circuit to review the judgment of that court rendered August 1, 1940, on an Opinion filed July 15, 1940, on which rehearing was denied July 31, 1940, and, therefore, shows as follows:

Summary Statement of Matter Involved.*(a) Nature of Suit and Summary of Facts.*

Petitioner sued respondent, Cummings-Landau Laundry Machinery Company, Inc., in the District Court for the Eastern District of New York, for infringement of petitioner's patent No. 1,723,940. The District Court entered an interlocutory decree adjudging the patent valid and infringed. Respondent appealed and the Circuit Court of Appeals for the Second Circuit, after filing its Opinion on July 15, 1940, and denying rehearing on July 31, 1940, entered a judgment on August 1, 1940, reversing the judgment of the District Court and remanding the case with directions to dismiss the complaint.

The patent covers large centrifugal extractors for removing moisture from clothing.

Petitioner, initially a licensee and later owner of the patent, extensively manufactured and sold these patented centrifugal extractors to laundries and dry cleaning plants for removing the wash water or dry cleaning fluid from the clothing.

Respondent obtained its infringing centrifugal extractors, admittedly copied from petitioner's, from a manufacturer who was formerly employed by petitioner, who assisted in building up petitioner's business under the patent in suit and who copied petitioner's extractor upon leaving petitioner's employ.

The single claim of the patent (R. 299) is directed to a centrifugal extractor which includes a cylindrical casing that is suspended on links for swinging movement. In this casing a perforated basket is adapted to rotate. The center of gravity of the basket with its load varies, lowering as the moisture is extracted from the clothing in the basket.

The heart of the invention lies in the relation between the bearing which supports the rotating basket within the

casing, the bearings which support the links on which the casing is suspended and the variable horizontal plane of the center of gravity of the basket and its load. This relationship, the specification states, results in the reduction of the extent of vibratory motion within the machine and the absorption of unavoidable vibrations that are incident to the normal rotation of the basket, thus producing petitioner's commercially successful extractor.

(b) Decisions of the Courts Below.

The District Court, after having heard the testimony of fact witnesses and the practical expert for petitioner and but a single witness, a patent expert, for respondent, and after having received briefs and heard argument, filed a memorandum opinion (R. 545) on December 8, 1939, and an Interlocutory Decree (R. 563) on January 3, 1940, adjudging the patent valid and infringed.

The District Court held that respondent conceded that the prior art does not disclose the combination recited in the single patent claim (R. 548) and overruled respondent's contention that the relationship between the variable horizontal plane of the center of gravity and the bearings above referred to (R. 551) is of no importance (utility). On the contrary, the District Court, accepting the testimony of petitioner's witnesses, held that said relationship is the critical factor in reducing excessive vibrations and absorbing the unavoidable normal vibrations (R. 559).

The Circuit Court of Appeals reversed, disregarding this finding of fact and erroneously placing the burden upon petitioner to prove utility.

In so doing the court held (R. 576-577):

"If Krantz really did add to the 'dampening effect' (i. e. the reduction of the excessive vibration and the absorption of the unavoidable vibrations—my insert) nobody has been able to verify it; all that we know is

that, when the links are of the proper length, they give good results if put in the prescribed (patent—my insert) position.”

It also held that any benefit flowing from the patented combination was “too contingent to serve” as a consideration for the issuance of a patent.

The Court of Appeals additionally stated that it was “disposed to believe” that there was no substance in the relationship of the referred to bearings and the variable horizontal plane of the center of gravity of the basket because (it held) none of the original claims specifically recited this relationship.

(c) Questions.

1. Is the burden upon a plaintiff to prove utility of the structure claimed in a patent sued upon?
2. Is a defendant who sells a copy of the patented machine estopped to deny utility?

Reasons Relied Upon for the Allowance of the Writ.

Petitioner urges that the writ be allowed because the decision of the Circuit Court of Appeals, holding, in effect, that the burden was upon petitioner to prove utility of the patented structure and that the copying respondent was not estopped to deny utility, is in direct conflict with the rule laid down in *Lehnbeuter v. Holthaus*, 105 U. S. 94; *Mumm v. Jacob E. Decker & Sons*, 301 U. S. 168, 57 S. Ct. 675; *Westinghouse Electric & Manufacturing Co. v. Wagner Electric & Manufacturing Co.*, 225 U. S. 604, 32 S. Ct. 691.

The rule of law is as stated in *Lehnbeuter v. Holthaus*, *supra*:

“The patent is *prima facie* evidence of both novelty and utility, * * *. The fact that it has been infringed by defendants, is sufficient to establish its utility, at least as against them.”

This doctrine was affirmed by Mr. Justice Lamar in 1911 in *Westinghouse Electric & Manufacturing Co. v. Wagner Electric & Manufacturing Co.*, *supra*, in which he stated:

“The patent was itself evidence of the utility of claim 4 * * *.”

Indeed, it was again affirmed by Mr. Chief Justice Hughes in 1937, in *Mumm v. Jacob E. Decker & Sons*, *supra*, in which it was stated:

“The issue of the patent is enough to show, until the contrary appears, that all the conditions under which a discovery is patentable in accordance with the statutes have been met. Hence, the burden of proving want of novelty is upon him who avers it. Walker on Patents, Sec. 116. Not only is the burden to make good this defense upon the party setting it up, but his burden is a heavy one, as it has been held that ‘every reasonable doubt should be resolved against him.’”

The rule of law as to the estoppel above referred to is stated by Mr. Justice Lamar in *Westinghouse Electric & Manufacturing Co. v. Wagner Electric & Manufacturing Co.*, *supra*:

“The patent was itself evidence of the utility of claim 4, and the defendant was estopped from denying that it was of value.”

In *Mumm v. Jacob E. Decker & Sons*, *supra*, Mr. Justice Woods stated the doctrine that where a defendant has been found to infringe the act of infringement is sufficient to establish the utility of the patented structure, which, as interpreted by Mr. Justice Lamar in *Westinghouse Electric & Manufacturing Co. v. Wagner Electric & Manufacturing Co.*, *supra*, is, in effect, that a defendant is estopped from denying the value of that which he has infringed.

In the instant case the Circuit Court of Appeals admitted that the patented structure obtained good results (576-577):

“when the links are of proper length, they give good results if put in the prescribed position.”

It then held that, even though these good results are obtained, the benefit is “too contingent to serve” as consideration for the issuance of a patent because “nobody has been able to verify it” (*i. e.*, that “Krantz really did add to the ‘dampening effect’”). This, in effect, is a ruling that the burden is upon petitioner to verify Krantz’s statement in the specification of the patent that the dampening effect (*i. e.*, the reduction of excessive vibrations and the absorption of unavoidable vibrations), is accomplished by the claimed structure, even though it is admitted by the Circuit Court of Appeals that the claimed structure does produce “good results”.

The Circuit Court of Appeals said, in effect, that the differences between the claimed structure and the prior art cannot be presumed to have utility because petitioner did not “verify” the fact.

This holding is in direct conflict with the rule laid down by this Honorable Court that the burden is upon defendant to show lack of utility, and that that burden is very heavy.

Public Interest.

It is essential that patentees be advised whether the burden is upon a plaintiff to prove utility of a patented structure, or whether the presumption of validity of the patent places the burden upon a defendant to show lack of utility.

The utterances of this Honorable Court indicate to my mind that the burden is upon the defendant to show lack of

utility, while the syllabus of the opinion of the Circuit Court of Appeals for the Second Circuit in the instant case, 46 P. Q. 294, which will be used as a thumbnail reference, indicates that the position of that Court is in direct conflict with the doctrine laid down by this Honorable Court. The syllabus reads as follows:

“(1) Nature of Patent rights.—Patent is given in consideration of some benefit to the art, but contingent benefit will not serve.

(2) Patentability—Aggregation or combination.—In general Combination of three factors, two of them familiar to the art and the third of no proved value, was matter of convenience not beyond powers of ordinary designer and not patentable.”

WHEREFORE your petitioner respectfully prays that a writ of certiorari be issued out of and under the seal of this Honorable Court directed to the Circuit Court of Appeals for the Second Circuit commanding that court to certify to this Court for its review and determination on a day certain to be therein named, a transcript of the record and of the proceedings of said Circuit Court of Appeals in this case, to the end that the said cause may be reviewed and determined by this Court according to law, and that your petitioner may have such other and further relief as to this Court may seem proper and in conformity with the law.

And your petitioner will ever pray.

UNITED STATES HOFFMAN MACHINERY
CORPORATION,

Petitioner,

DANIEL L. MORRIS,

Counsel for Petitioner.

August 28, 1940.